

RETURN ADDRESS:
PEOPLES BANK
MOUNT VERNON OFFICE
1801 RIVERSIDE DRIVE
MOUNT VERNON, WA
98273



200305300218

Skagit County Auditor

5/30/2003 Page 1 of 3 1:29PM

FIRST AMERICAN TITLE CO.

ACCOMMODATION RECORDING ONLY

MODIFICATION OF DEED OF TRUST

118105

Reference # (if applicable): 20021150146

Additional on page _____

Grantor(s):

1. THE GREAT AMERICAN DREAM, INC. DBA LANDMARK BUILDING AND
DEVELOPMENT

Grantee(s)

1. PEOPLES BANK

Legal Description: PTN . LOT 5, "SPINNAKER COVE"

Additional on page 2

Assessor's Tax Parcel ID#: 4802-000-005-0000 (P119517)

THIS MODIFICATION OF DEED OF TRUST dated May 10, 2003, is made and executed between THE GREAT AMERICAN DREAM, INC. DBA LANDMARK BUILDING AND DEVELOPMENT, WHOSE ADDRESS IS 22397 BULSON ROAD, MOUNT VERNON, WA 98273 ("Grantor") and PEOPLES BANK, MOUNT VERNON OFFICE, 1801 RIVERSIDE DRIVE, MOUNT VERNON, WA 98273 ("Lender").

MODIFICATION OF DEED OF TRUST

Loan No: 5110110-204

(Continued)

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DEED OF TRUST. Lender and Grantor have entered into a Deed of Trust dated November 12, 2002 (the "Deed of Trust") which has been recorded in Skagit County, State of Washington, as follows:

RECORDED NOVEMBER 15, 2002 UNDER RECORDING NUMBER 200211150146 IN RECORDS OF SKAGIT COUNTY, WASHINGTON.

REAL PROPERTY DESCRIPTION. The Deed of Trust covers the following described real property located in Skagit County, State of Washington:

LOT 5, OF THE "PLAT OF SPINNAKER COVE", AS PER PLAT RECORDED SEPTEMBER 17, 2002, AS SKAGIT COUNTY AUDITOR'S FILE NO. 200209170010, EXCEPT THE NORTH 2.5 FEET THEREOF.

SITUATE IN SKAGIT COUNTY, WASHINGTON

The Real Property or its address is commonly known as 1601 N. 43RD PLACE, MOUNT VERNON, WA 98274. The Real Property tax identification number is 4802-000-005-0000 (P119517)

MODIFICATION. Lender and Grantor hereby modify the Deed of Trust as follows:

THIS MODIFICATION OF DEED OF TRUST AMENDS THE DEED OF TRUST DATED NOVEMBER 12, 2002 WITH THE FOLLOWING AMENDMENTS:

THE WORD "NOTE" MEANS THE PROMISSORY NOTE DATED MAY 10, 2003 FROM GRANTOR TO LENDER, TOGETHER WITH ALL RENEWALS OF, EXTENSIONS OF, MODIFICATIONS OF, REFINANCINGS OF, CONSOLIDATIONS OF, AND SUBSTITUTIONS FOR THE PROMISSORY NOTE OR AGREEMENT.

THE PRINCIPAL AMOUNT IS \$138,800.00, WHICH INCLUDES A NEW ADVANCE OF \$42,798.05.

CONTINUING VALIDITY. Except as expressly modified above, the terms of the original Deed of Trust shall remain unchanged and in full force and effect. Consent by Lender to this Modification does not waive Lender's right to require strict performance of the Deed of Trust as changed above nor obligate Lender to make any future modifications. Nothing in this Modification shall constitute a satisfaction of the promissory note or other credit agreement secured by the Deed of Trust (the "Note"). It is the intention of Lender to retain as liable all parties to the Deed of Trust and all parties, makers and endorsers to the Note, including accommodation parties, unless a party is expressly released by Lender in writing. Any maker or endorser, including accommodation makers, shall not be released by virtue of this Modification. If any person who signed the original Deed of Trust does not sign this Modification, then all persons signing below acknowledge that this Modification is given conditionally, based on the representation to Lender that the non-signing person consents to the changes and provisions of this Modification or otherwise will not be released by it. This waiver applies not only to any initial extension or modification, but also to all such subsequent actions.

GRANTOR ACKNOWLEDGES HAVING READ ALL THE PROVISIONS OF THIS MODIFICATION OF DEED OF TRUST AND GRANTOR AGREES TO ITS TERMS. THIS MODIFICATION OF DEED OF TRUST IS DATED MAY 10, 2003.

GRANTOR:

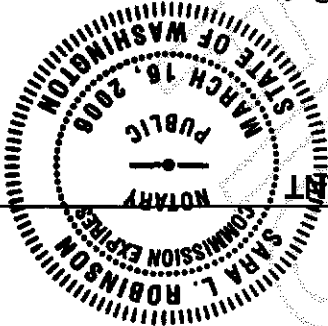
THE GREAT AMERICAN DREAM, INC. DBA LANDMARK BUILDING AND DEVELOPMENT

By: JOHN W. ELLIS, President of THE GREAT AMERICAN DREAM, INC.

LENDER:

Authorized Officer

CORPORATE ACKNOWLEDGMENT



STATE OF Washington COUNTY OF Skagit

On this 29 day of May, 2003, before me, the undersigned Notary Public, personally appeared JOHN W. ELLIS, President of THE GREAT AMERICAN DREAM, INC. DBA LANDMARK BUILDING AND DEVELOPMENT, and personally known to me or proved to me on the basis of satisfactory evidence to be an authorized agent of the corporation that executed the Modification of Deed of Trust and acknowledged the Modification to be the true and voluntary act and deed of the corporation, by authority of its Bylaws or by resolution of its board of directors, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this Modification and in fact executed the Modification on behalf of the corporation.

By John W. Ellis Residing at Seattle, WA My commission expires March 16, 2008

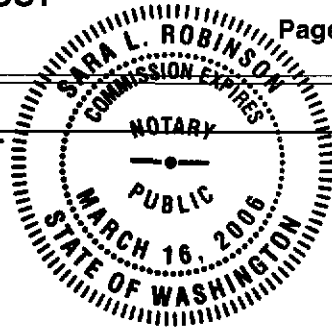
MODIFICATION OF DEED OF TRUST
(Continued)

Loan No: 5110110-204

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LENDER ACKNOWLEDGMENT

STATE OF Washington)
) SS
COUNTY OF Skagit)



On this 29 day of May, 20 03, before me, the undersigned Notary Public, personally appeared James Henderson and personally known to me or proved to me on the basis of satisfactory evidence to be the Senior Vice President authorized agent for the Lender that executed the within and foregoing instrument and acknowledged said instrument to be the free and voluntary act and deed of the said Lender, duly authorized by the Lender through its board of directors or otherwise, for the uses and purposes therein mentioned, and on oath stated that he or she is authorized to execute this said instrument and that the seal affixed is the corporate seal of said Lender.

By Sara L. Robinson
Notary Public in and for the State of WA

Residing at Sedro Woolley WA
My commission expires March 16, 2006

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Skagit County Auditor